


BEFORE  
THE PUBLIC SERVICE COMMISSION OF  
SOUTH CAROLINA

DOCKET NO. 2000-0155-C - ORDER NO. 2000-579

JULY 20, 2000

IN RE: Application of BroadStreet Communications, Inc. for a Certificate of Public Convenience and Necessity to Provide Resold and Facilities-Based Local Exchange and Interexchange Telecommunications Services within the State of South Carolina.	)	ORDER
	)	GRANTING
	)	CERTIFICATE
	)	
	)	
	)	



This matter comes before the Public Service Commission of South Carolina (the “Commission”) by way of the Application of BroadStreet Communications, Incorporated (“BroadStreet” or the “Company”) requesting a Certificate of Public Convenience and Necessity authorizing it to provide resold and facilities-based local exchange and intrastate interexchange telecommunications services within the State of South Carolina. The Company’s application was filed pursuant to S.C. Code Ann. §58-9-280(B) (Supp. 1999) and the Regulations of the Public Service Commission of South Carolina.

By letter, the Commission’s Executive Director instructed BroadStreet to publish, one time, a prepared Notice of Filing in newspapers of general circulation in the areas affected by the Application. The proposed Notice of Filing was to inform interested parties of the manner and time in which to file the appropriate pleadings for participation in the proceedings. BroadStreet complied with this instruction and provided the Commission with proof of publication of the Notice of Filing.

A Petition to Intervene was received from the South Carolina Telephone Coalition (“SCTC”) on May 10, 2000. Thereafter, on June 22, 2000, Counsel for SCTC filed with the Commission a Stipulation in which BroadStreet stipulated that it would only seek authority in non-rural local exchange (“LEC”) service areas of South Carolina and that it would not provide any local service to any customer located in a rural incumbent’s service area, unless and until BroadStreet provided written notice of its intent prior to the date of the intended service. BroadStreet also stipulated that it was not asking the Commission to make a finding at this time regarding whether competition is in the public interest for rural areas. BroadStreet agreed to abide by all State and Federal laws and to participate to the extent that it may be required to do so by the Commission in support of universally available telephone service at affordable rates. The SCTC withdrew its opposition to the granting of a statewide Certificate of Public Convenience and Necessity to BroadStreet provided the conditions contained in the Stipulation are met. The Stipulation is approved and attached as Order Exhibit 1.

A hearing was commenced on July 6, 2000, at 11:30 a.m., in the Commission’s Hearing Room. The Honorable William Saunders, Chairman, presided. BroadStreet was represented by Bonnie D. Shealy, Esquire. Adelaide D. Kline, Staff Counsel, represented the Commission Staff.

Phillip M. Fraga, Senior Vice President and General Counsel of BroadStreet, appeared and offered testimony in support of the Company’s application. As Senior Vice President and General Counsel of BroadStreet, Mr. Fraga’s job responsibilities primarily involve legal and regulatory decisions for a newly-formed telecommunications service

provider. The record reveals Mr. Fraga's prior experience in the telecommunications industry includes the position as Director of Legal and Regulatory Affairs for Hyperion; he was a Programming Contracts Specialist for Adelphia Communications (the parent company of Hyperion) prior to joining Hyperion. BroadStreet is a Delaware corporation that has received authorization to operate as a foreign corporation in the State of South Carolina by the Secretary of State. According to the testimony, BroadStreet is presently certificated in twelve states as well as Washington, D.C. BroadStreet is a new company with the initial geographic goal to be a "super regional provider" targeting small to medium-sized businesses with a residential component of small office/home office applications in Tier Two and Tier Three markets. Mr. Fraga testified that BroadStreet plans to start offering services in Pittsburgh, Pennsylvania, in the Fall of 2000 and will continue to come southward through the mid-Atlantic states and southeastern states all the way over to Alabama. The Company's business plan calls for it to be serving four markets by the end of 2000 with service expected to begin in South Carolina in the second quarter of 2001. Additionally, as of the hearing date, BroadStreet had not yet offered its services in any state. BroadStreet Communications, LLC is the parent company of BroadStreet Communications, Inc.

Upon receiving certification from the Commission, BroadStreet proposes to offer a broad range of telecommunications services, including facilities-based and resold local exchange, interexchange and exchange access services primarily to business and residential customers. The Company proposes to offer interexchange services on a 1+ and 0+ basis within its licensed area and will include, without limitation, switched "1+"

MTS services, 800/877/888 services, and virtual private network services. Exchange access services will include dedicated point-to-point telecommunications services, including but not limited to: (a) switchless interLATA and intraLATA private line services; (b) special access services; (c) switchless dedicated access network services; and (d) virtual private network services. BroadStreet's Specific Local Exchange Services may include: (a) business basic line service; (b) DSL service (c) local exchange flat rate service; (d) operator access and assisted service; (e) centrex service; (f) directory assistance and operator assisted calling; (g) directory listing; (h) emergency 911 service; (i) interLATA equal access; (j) unified messaging of voicemail, e-mail, and other mediums; (k) miscellaneous services currently provided by the incumbent local exchange carrier (ILEC); and (l) virtual private network services.

Mr. Fraga presented testimony on BroadStreet's technical, financial, and managerial ability to offer services in South Carolina. As to the Company's technical ability and equipment, the testimony reveals that the Company currently does not own any network switches or transmission facilities within the State of South Carolina. BroadStreet's network will consist of service nodes that are connected through leased or owned fiber lines of ILEC/CLEC provided DS-3s to multiple central offices where BroadStreet will install DSL (DSLAM), ATM and convergent switching equipment, including the latest advanced DSL technology from established equipment vendors such as Lucent and Copper Mountain. To provide its integrated services, BroadStreet will use state-of-the-art data convergence system 7 switches (SS7) from such switch vendors as Lucent, Sonus Networks, Inc., Salix Technologies, Inc. and Castle Networks.

Also regarding the Company's technical ability to offer services in South Carolina, the record reveals BroadStreet initially will be providing DSL services and intends to eventually offer all forms of local exchange access and both intraLATA and interLATA interexchange services. In addition to the equipment from Lucent, the Company plans to use selected ILEC local facilities. Those locations will be connected by either fiber from the incumbent local exchange carrier or other competitive local exchange carriers. Eventually BroadStreet will have fiber of its own as well as wireless service via either LMDS or other wireless capabilities. The Company was in the process of negotiating an interconnection agreement at the time of the hearing. Mr. Farga stated that Sprint will be BroadStreet's underlying carrier in South Carolina.

Mr. Fraga's testimony states BroadStreet has sufficient technical resources and ability to provide telecommunications services it proposes to provide in South Carolina. The testimony also reveals BroadStreet will operate a customer service department which will respond to customer inquiries with complaints being handled as much at the local level as possible. He further testified that BroadStreet plans to locate a combination sales/central office in or around a South Carolina city in which it will employ South Carolinians. The customer service department will be open twenty-four hours a day, seven days a week; the toll free number will be 1-877-638-2861. Mr. Farga stated a person will be available on weekends to take customer service calls. As to customer calls regarding repair matters, Mr. Fraga stated that customers' problems will generally be handled from the northwest control center. Because BroadStreet intends to open offices in South Carolina, local sales, customer care and engineering teams will be available on

the local level to work with customers. He stated that sometimes local problem solvers may need to be dispatched but that customers will always have a local person to talk with about any customer concerns. Mr. Farga further stated that the Company plans to market its services primarily by using direct sales calls and complementary local media. Mr. Fraga is the Company's regulatory and customer service contact person.

Further, as to the Company's technical ability to provide services in South Carolina, Mr. Farga testified that BroadStreet's headquarters will provide all management and support staff as well as network operations out of its control center. He stated that the billing function will be centrally handled in-house at the Pittsburgh, Pennsylvania, office utilizing a variety of in-house, as well as third party, software applications. Mr. Farga offered that the Company's name and telephone number will appear on the bill.

Mr. Fraga also testified that the Company's management team possesses many years of individual and aggregate telecommunications experience and further that several of the founding senior management executives of BroadStreet came from Hyperion/Adelphia. The record reveals that BroadStreet's senior and next level management team brings over one hundred years of telecommunications experience to BroadStreet's operations. Mr. Randolph S. Fowler is the President and Chief Executive Officer of BroadStreet. He is one of the founders of Hyperion/Adelphia, has twenty-plus years of telecommunications experience through the Bell system, and is responsible for all field operations. Mr. Farga offered that Mr. Thomas W. Cady is the Executive Vice President and Chief Operating Officer of BroadStreet. The record reveals Mr. Cady has twenty-three years of sales, marketing and general management experience in both

corporate and entrepreneurial environments. The record further reveals and Mr. Farga testified that Mr. Stephen D. Martin is the Senior Vice President of Business Development for BroadStreet. Mr. Martin has twenty-three years of experience in the voice, data and software technology industry, most recently serving as President and CEO of a Maryland based technology concern, Microlog Corporation. Mr. Farga offered that Mr. David Martin is the Senior Vice President of Business Operations for BroadStreet. Mr. Martin has twenty-seven years of experience in sales, sales management and general management experience, primarily with technology based companies.

Mr. Fraga also testified that BroadStreet has the financial resources and ability to provide telecommunications services in South Carolina. The balance sheet submitted with the Company's application indicated that the Company is in a strong financial position. He stated that there are no significant changes in the Company's financial condition from the figures reflected in the February 29, 2000, statements that were submitted in the application. The record reveals that BroadStreet has a \$62.5M equity commitment from venture capital investors and the senior management team. Further, Mr. Farga testified that BroadStreet recently closed on the sale of a \$120M secured credit facility with Lucent. The Company requested the Commission's permission to be exempt from any record-keeping rules or regulations that might require the Company to maintain its financial records in conformance with the Uniform System of Accounts. According to the record, BroadStreet currently maintains its book of accounts in accordance with the Generally Accepted Accounting Principles ("GAAP").

BroadStreet also requested the Commission's waiver of 26 S.C. Code Ann. Regs. 103-610, 103-612 (2.3), and 103-631 (1976 and Supp. 1999). More specifically, BroadStreet requests permission for its records to be physically kept in Philadelphia, Pennsylvania. The Company seeks to contract with the appropriate incumbent local exchange carrier (ILEC) for the ILEC to provide BroadStreet with directory listings as well as to undertake the distribution of directories. According to the record, BroadStreet will make arrangements with the incumbent local exchange carriers whereby the names of BroadStreet's customers will be included in the directories published by the incumbent local exchange carriers. Regulation 103-612 (2.3) requires that the Company file a map showing its certificated area and/or exchange service area(s).

Upon receiving certification from the Commission, Mr. Fraga testified BroadStreet will abide by and comply with the Commission's rules and regulations and Commission Orders in its operations in South Carolina. Further, the testimony reveals BroadStreet has never had an application for a certificate of public convenience and necessity denied nor has the Company ever been the subject of an investigation by a state regulatory body or the Federal Communications Commission. Additionally, as of the hearing date, BroadStreet had not provided any intrastate telecommunications services within the State of South Carolina.

After full consideration of the applicable law, the Company's Application, and the evidence presented at the hearing, the Commission hereby issues its findings of fact and conclusions of law:



### **FINDINGS OF FACT**

1. BroadStreet is organized as a corporation under the laws of the State of Delaware and has received a certificate from the South Carolina Secretary of State to transact business within South Carolina as a foreign corporation.
2. BroadStreet wishes to provide local exchange services and interexchange services within the State of South Carolina.
3. The Commission finds that BroadStreet possesses the technical, financial, and managerial resources sufficient to provide the service requested.
4. The Commission finds that BroadStreet' "provision of service will not adversely impact the availability of affordable local exchange service." S.C. Code Ann. §58-9-280(B)(3) (Supp. 1999).
5. The Commission finds that BroadStreet will support universally available telephone service at affordable rates.
6. The Commission finds that BroadStreet will provide services which will meet the service standards of the Commission.
7. The Commission finds that the provision of local exchange service by BroadStreet "does not otherwise adversely impact the public interest." S.C. Code Ann. §58-9-280(B)(5) (Supp. 1999).

### **CONCLUSIONS OF LAW**

1. Based on the above findings of fact, the Commission determines that a Certificate of Public Convenience and Necessity should be granted to BroadStreet to provide competitive resold and facilities-based intrastate local exchange services only to

customers located in the non-rural areas of South Carolina. The terms of the Stipulation between BroadStreet and the SCTC are approved, and adopted as a portion of this Order. Any proposal to provide local exchange service to a customer in a rural incumbent LEC's service area is not included in the instant grant of authority. Further, the Company is granted authority to provide facilities-based and resold intrastate interLATA service and to originate and terminate toll traffic within the same LATA, as set forth herein, through the resale of intrastate Wide Area Telecommunications Services (WATS), Message Telecommunications Service (MTS), directory assistance, travel card service or any other services authorized for resale by tariffs of carriers approved by the Commission.

2. With regard to the interexchange service offerings of BroadStreet, the Commission adopts a rate design which includes only maximum rate levels for each tariff charge. A rate structure incorporating maximum rate levels with the flexibility for adjustment below the maximum rate levels has been previously adopted by the Commission. In Re: Application of GTE Sprint Communications Corporation, etc., Order No. 84-622, issued in Docket No. 84-10-C (August 2, 1984).

3. BroadStreet shall not adjust its interexchange rates below the approved maximum level without notice to the Commission and to the public. BroadStreet shall file its proposed rate changes, publish its notice of such changes, and file affidavits of publication with the Commission two weeks prior to the effective date of the changes. However, the public notice requirement is waived, and therefore not required, for reductions below the maximum cap in instances which do not affect the general body of subscribers or do not constitute a general rate reduction. In Re: Application of GTE

Sprint Communications, etc., Order No. 93-638, issued in Docket No. 84-10-C (July 6, 1993). Any proposed increase in the maximum rate level for interexchange services reflected in the tariff which would be applicable to the general body of the Company's subscribers shall constitute a general ratemaking proceeding and will be treated in accordance with the notice and hearing provisions of S.C. Code Ann. §58-9-540 (Supp. 1999).

4. If it has not already done so by the date of issuance of this Order, BroadStreet shall file its revised local and long distance tariffs and an accompanying price list within thirty (30) days of receipt of this Order. The revised tariff shall be consistent with the findings of this Order and shall be consistent with the Commission's Rules and Regulations.

5. BroadStreet is subject to access charges pursuant to Commission Order No. 86-584 in which the Commission determined that for access purposes resellers should be treated similarly to facilities-based interexchange carriers.

6. With regard to the Company's resale of interexchange service, an end-user should be able to access another interexchange carrier or operator service provider if the end-user so desires.

7. BroadStreet shall resell the services of only those interexchange carriers or LECs authorized to do business in South Carolina by this Commission. If BroadStreet changes underlying carriers, it shall notify the Commission in writing.

8. With regard to the origination and termination of toll calls within the same LATA, BroadStreet shall comply with the terms of Order No. 93-462, Order Approving

Stipulation and Agreement, in Docket Nos. 92-182-C, 92-183-C, and 92-200-C (June 3, 1993), with the exception of the 10-XXX intraLATA dialing requirement, which has been rendered obsolete by the toll dialing parity rules established by the Federal Communications Commission, pursuant to the Telecommunications Act of 1996 (See, 47 CFR 51.209).

9. BroadStreet shall file annual surveillance reports on a calendar or fiscal year basis with the Commission as required by Order No. 88-178 in Docket No. 87-483-C. The proper form for these reports is indicated on Attachment A. Attachment A consists of two pages for annual information on South Carolina operations for interexchange companies and AOS'.

10. Title 23, Chapter 47, South Carolina Code of Laws Ann., governs the establishment and implementation of a "Public Safety Communications Center," which is more commonly known as a "911 system" or "911 service." Services available through a 911 system include law enforcement, fire, and emergency medical services. In recognition of the necessity of quality 911 services being provided to the citizens of South Carolina, the Commission hereby instructs BroadStreet to contact the appropriate authorities regarding 911 service in the counties and cities where the Company will be operating. Contact with the appropriate 911 service authorities is to be made before beginning telephone service in South Carolina. Accompanying this Order is an information packet from the South Carolina Chapter of the National Emergency Number Association ("SC NENA") with contact information and sample forms. The Company may also obtain information by contacting the E911 Coordinator at the Office of

Information Resources of the South Carolina Budget and Control Board. By this Order and prior to providing services within South Carolina, BroadStreet, shall contact the 911 Coordinator in each county, as well as the 911 Coordinator in each city where the city has its own 911 system, and shall provide information regarding the Company's operations as required by the 911 system.

11. The Company shall, in compliance with Commission regulations, designate and maintain an authorized utility representative who is prepared to discuss, on a regulatory level, customer relations (complaint) matters, engineering operations, tests and repairs. In addition, the Company shall provide to the Commission in writing the name of the authorized representative to be contacted in connection with general management duties as well as emergencies which occur during non-office hours.

BroadStreet shall file the names, addresses and telephone numbers of these representatives with the Commission within thirty (30) days of receipt of this Order. Attachment B shall be utilized for the provision of this information to the Commission. Further, the Company shall promptly notify the Commission in writing if the representatives are replaced.

12. BroadStreet shall conduct its business in compliance with Commission decisions and Orders, both past and future, including but not limited to, any and all Commission decisions which may be rendered in Docket No. 96-018-C regarding local competition.

13. The Company is directed to comply with all Rules and Regulations of the Commission, unless a regulation is specifically waived by the Commission.

14. BroadStreet shall file annual financial information in the form of annual reports and gross receipts reports as required by the Commission. The annual report and the gross receipt report will necessitate the filing of intrastate information. Therefore, BroadStreet shall keep financial records on an intrastate basis for South Carolina to comply with the annual and gross receipts filings. Attachment C shall be utilized by the Company to provide the Commission with annual financial information on the Company's intrastate operations. Attachment C consists of four pages and it is entitled "Annual Report for Competitive Local Exchange Carriers."

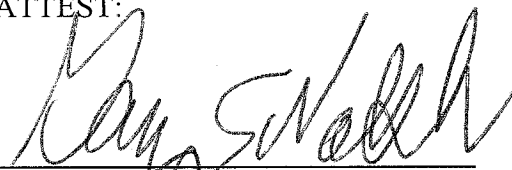
15. By its Application, BroadStreet requested waivers from Commission requirements (1) of publishing a directory, (2) of maintaining its books and records in conformance with the Uniform System of Accounts and (3) of filing a map showing its certificated area and/or exchange service area (s). The Commission finds the reasoning behind BroadStreet's requests for waivers of publishing a directory, maintaining its books and records in conformance with the Uniform System of Accounts, and the filing of a map showing its certificated area reasonable and hereby grants the waivers of these regulations.

16. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

  
\_\_\_\_\_  
Chairman

ATTEST:

  
\_\_\_\_\_  
Executive Director  
(SEAL)

**ANNUAL INFORMATION ON SOUTH CAROLINA OPERATIONS  
FOR INTEREXCHANGE COMPANIES AND AOS'**

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<b>COMPANY NAME</b>	<b>FEIN</b>
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<b>ADDRESS</b>	<b>PHONE NUMBER</b>
----------------	---------------------

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<b>CITY, STATE, ZIP CODE</b>	<b>FAX NUMBER</b>
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1. SOUTH CAROLINA OPERATING REVENUES FOR THE 12 MONTHS ENDING  
DECEMBER 31, 2000 OR FISCAL YEAR. \$ \_\_\_\_\_
2. SOUTH CAROLINA OPERATING EXPENSES FOR THE 12 MONTHS ENDING  
DECEMBER 31, 2000 OR FISCAL YEAR. \$ \_\_\_\_\_
3. RATE BASE INVESTMENT IN SOUTH CAROLINA OPERATIONS FOR THE 12 MONTHS  
ENDING DECEMBER 31, 2000 OR FISCAL YEAR:

Gross Plant in located or allocated to South Carolina operations \$ \_\_\_\_\_

CWIP located in or allocated to South Carolina operations \$ \_\_\_\_\_

Land located in or allocated to South Carolina operations \$ \_\_\_\_\_

Accumulated Depreciation of South Carolina Plant (\$ \_\_\_\_\_)

Net Rate Base located in or allocated to South Carolina operations \$ \_\_\_\_\_

4. PARENT'S CAPITAL STRUCTURE FOR THE 12 MONTHS ENDING  
DECEMBER 31, 2000 OR FISCAL YEAR:

LONG TERM DEBT \$ \_\_\_\_\_

EQUITY \$ \_\_\_\_\_

5. PARENT'S AVERAGE RATE OF INTEREST ON LONG TERM DEBT \_\_\_\_\_ %.



JULY 20, 2000

ATTACHMENT A

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**6. CONTACT PERSON FOR ALL FINANCIAL INQUIRES AND REPORTING:**

**NAME** \_\_\_\_\_

**ADDRESS IF DIFFERENT FROM COMPANY** \_\_\_\_\_

**TELEPHONE NUMBER** \_\_\_\_\_

**ANNUAL INFORMATION ON SOUTH CAROLINA OPERATIONS**

**FOR INTEREXCHANGE COMPANIES AND AOS'**

- 7. ALL DETAILS ON THE ALLOCATION METHOD USED TO DETERMINE THE AMOUNT OF EXPENSES ALLOCATED TO SOUTH CAROLINA OPERATIONS AS WELL AS METHOD OF ALLOCATION OF COMPANY'S RATE BASE INVESTMENT (SEE #3 ABOVE)(USE BACK IF NEEDED).**

**NAME OF OFFICER SIGNING FORM (PRINT OR TYPE)** \_\_\_\_\_

**SIGNATURE** \_\_\_\_\_

**TITLE** \_\_\_\_\_

JULY 20, 2000

ATTACHMENT B

**AUTHORIZED UTILITY REPRESENTATIVE INFORMATION**

## PURSUANT TO SOUTH CAROLINA PUBLIC SERVICE COMMISSION REGULATION

103-612.2.4(b) - Each utility shall file and maintain with the Commission the name, title, address, and telephone number of the persons who should be contacted in connection with General Management Duties, Customer Relations (Complaints), Engineering Operations, Test and Repairs, and Emergencies during non-office hours.

---

Company Name ( Including dba Name(s) or Acronyms used or to be used in South Carolina)

---

Business Address

---

City, State, Zip Code

A.

---

General Manager Representative (Please Print or Type)

---

Telephone Number / Facsimile Number / E-mail Address

B.

---

Customer Relations (Complaints) Representative (Please Print or Type)

---

Telephone Number / Facsimile Number / E-mail Address

C.

---

Engineering Operations Representative (Please Print or Type)

---

Telephone Number / Facsimile Number / E-mail Address

D.

---

Test and Repair Representative (Please Print or Type)

---

Telephone Number / Facsimile Number / E-mail Address

E.

---

Contact for Emergencies During Non-Office Hours (Please Print or Type)

---

Telephone Number / Facsimile Number / E-mail Address

F.

---

Financial Representative (Please Print or Type)

---

Telephone Number / Facsimile Number / E-mail Address

G.

---

Customer Contact Telephone Number for Company (Toll Free)

---

This form was completed by

---

Signature

If you have any questions, contact the Consumer Services Department (803-896-5230)  
or Utilities Department at (803-896-5105).

DOCKET NO. 2000-0155-C – ORDER NO. 2000-579  
JULY 20, 2000  
ATTACHMENT C

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**ANNUAL REPORT FOR COMPETITIVE LOCAL EXCHANGE CARRIERS**

**COMPANY NAME:** \_\_\_\_\_

**ADDRESS:** \_\_\_\_\_

**CITY:** \_\_\_\_\_ **STATE:** \_\_\_\_\_ **ZIP:** \_\_\_\_\_

**PHONE NUMBER:** \_\_\_\_\_ **FAX NUMBER:** \_\_\_\_\_

**\*\*If any of this information changes, the Commission is to be notified at once\*\***

**OFFICERS: PRESIDENT:** \_\_\_\_\_

**VICE PRESIDENT:** \_\_\_\_\_

**TREASURER:** \_\_\_\_\_

**CONTACT PERSON FOR FINANCIAL AND REGULATORY INFORMATION:**

**NAME:** \_\_\_\_\_  
(PLEASE PRINT OR TYPE)

**CONTACT'S PHONE:** \_\_\_\_\_

**\*\*If this person changes, you must notify the Commission immediately\*\***

**COMPETITIVE LOCAL EXCHANGE CARRIERS**

Company Name: \_\_\_\_\_

Income Statement  
12/31/2000/or Fiscal Year

<b>Particulars</b>	<b>Current Year-Total Company</b>	<b>Last Year-Total Company</b>	<b>SC Intrastate-Current Year</b>
<b>Revenues</b>			
<b>Operating Revenues</b>			
<b>Operating Expenses</b>			
<b>Access and Billing Expenses and Expenses Related to Resale</b>			
<b>Other Local Interconnection Expenses</b>			
<b>Leases Facilities from Other Carriers</b>			
<b>Communications System Operations</b>			
<b>Sales and Marketing</b>			
<b>Administration and General</b>			
<b>Depreciation and Amortization</b>			
<b>Other</b>			
<b>Total Operating Expenses</b>			
<b>Net Operating Income</b>			
<b>Other Income and Expenses</b>			
<b>Nonoperating Income and Expenses (Net)</b>			
<b>Nonoperating Taxes</b>			
<b>Interest</b>			
<b>Extraordinary Items</b>			
<b>Total Other Income and Expenses (Net)</b>			
<b>Net Income</b>			

Number of South Carolina Access Lines

**COMPETITIVE LOCAL EXCHANGE CARRIERS**

Company Name: \_\_\_\_\_

**Balance Sheet-Total Company  
December 31, 2000/or Fiscal Year Ending**

<b>Particulars</b>	<b>Balance at Beginning of Year</b>	<b>Balance at Ending of Year</b>
<b><u>Current Assets</u></b>		
Cash and Cash Equivalents		
Accounts Receivable-Telecommunications		
Accounts Receivable-Other		
Notes Receivable		
Other Receivables		
Materials and Supplies		
Prepays		
Other Current Assets		
<b>Total Current Assets</b>		
<b><u>Noncurrent Assets</u></b>		
Investments		
Other Noncurrent		
Deferred Charges		
<b>Total Noncurrent Assets</b>		
<b><u>Plant Assets</u></b>		
Telecommunications Plant in Service		
Accumulated Depreciation		
Net Telecommunications Plant in Service		
Other Plant Assets (Net of Depreciation)		
Construction Work in Progress		
<b>Total Plant</b>		
<b>Total Assets</b>		

**COMPETITIVE LOCAL EXCHANGE ANNUAL REPORT**

Company Name: \_\_\_\_\_

**Balance Sheet-Total Company**  
**December 31, 2000/or Fiscal Year Ending**

<b>Particulars</b>	<b>Balance at Beginning of Year</b>	<b>Balance at Ending of Year</b>
<b><u>Current Liabilities</u></b>		
Accounts Payable		
Advanced Billings and Payments		
Customer Deposits		
Long Term Debt-Current Maturities		
Accrued Liabilities		
Other Current Liabilities		
Total Current Liabilities		
<b><u>LongTerm Debt</u></b>		
Long Term Debt		
Obligations Under Capital Leases		
Advances From Affiliated Companies		
Other Long Term Debt		
Total Long Term Debt		
<b><u>Stockholders Equity</u></b>		
Capital Stock		
Additional Paid in Capital		
Retained Earnings		
Total Stockholders Equity		
Total Liabilities and Stockholders Equity		

BEFORE  
THE PUBLIC SERVICE COMMISSION  
OF  
SOUTH CAROLINA

Docket No. 2000-2000-0155-C

*filed  
rec'd 6/22/00  
Accepted 6/23/00*

Re: Application of BroadStreet Communications, Inc. )  
for a Certificate of Public Convenience and )  
Necessity to Provide a Broad Range of Tele- )  
communications Services, including Local )  
Exchange and Interexchange Services in the State )  
of South Carolina )

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**STIPULATION**

The South Carolina Telephone Coalition ("SCTC") (see attachment "A" for list of companies) and BroadStreet Communications, Inc. ("BroadStreet") hereby enter into the following stipulations. As a consequence of these stipulations and conditions, SCTC does not oppose BroadStreet's Application. SCTC and BroadStreet stipulate and agree as follows:

1. SCTC does not oppose the granting of a statewide Certificate of Public Convenience and Necessity to BroadStreet, provided the South Carolina Public Service Commission ("Commission") makes the necessary findings to justify granting of such a certificate, and provided the conditions contained within this stipulation are met.
2. BroadStreet stipulates and agrees that any Certificate which may be granted will authorize BroadStreet to provide service only to customers located in non-rural local exchange company ("LEC") service areas of South Carolina, except as provided herein.
3. BroadStreet stipulates that it is not asking the Commission to make a finding at this time regarding whether competition is in the public interest for rural areas.
4. BroadStreet stipulates and agrees that it will not provide any local service, by its own facilities or otherwise, to any customer located in a rural incumbent LEC's service area, unless

and until BroadStreet provides such rural incumbent LEC and the Commission with written notice of its intent to do so at least thirty (30) days prior to the date of the intended service. During such notice period, the rural incumbent LEC will have the opportunity to petition the Commission to exercise all rights afforded it under Federal and State law. Also, BroadStreet acknowledges that the Commission may suspend the intended date for service in rural LEC territory for ninety (90) days while the Commission conducts any proceeding incident to the Petition or upon the Commission's own Motion, provided that the Commission can further suspend the implementation date upon showing of good cause.

5. BroadStreet stipulates and agrees that, if BroadStreet gives notice that it intends to serve a customer located in a rural incumbent LEC's service area, and either (a) the Commission receives a Petition from the rural incumbent LEC to exercise its rights under Federal or State law within such 30-day period, or (b) the Commission institutes a proceeding of its own, then BroadStreet will not provide service to any customer located within the service area in question without prior and further Commission approval.

6. BroadStreet acknowledges that any right which it may have or acquire to serve a rural telephone company service area in South Carolina is subject to the conditions contained herein, and to any future policies, procedures, and guidelines relevant to such proposed service which the Commission may implement, so long as such policies, procedures, and guidelines do not conflict with Federal or State law.

7. The parties stipulate and agree that all rights under Federal and State law are reserved to the rural incumbent LECs and BroadStreet, and this Stipulation in no way suspends or adversely affects such rights, including any exemptions, suspensions, or modifications to which they may be entitled.

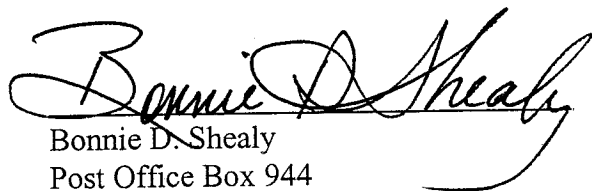


8. Broadstreet agrees to abide by all State and Federal laws and to participate, to the extent it may be required to do so by the Commission, in the support of universally available telephone service at affordable rates.

9. Broadstreet hereby amends its application and its pre-filed testimony in this docket to the extent necessary to conform with this Stipulation.

AGREED AND STIPULATED to this 15 day of June, 2000.

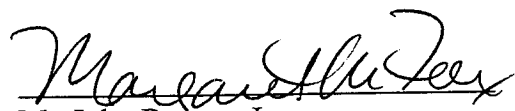
Robinson, McFadden, & Moore, P.C.



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Attorneys for  
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South Carolina Telephone Coalition:



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Attorneys for the South Carolina  
Telephone Coalition

## ATTACHMENT A

### South Carolina Telephone Coalition Member Companies for Purposes of Local Service Stipulation

ALLTEL South Carolina, Inc.  
Chesnee Telephone Company  
Chester Telephone Company  
Farmers Telephone Cooperative, Inc.  
Ft. Mill Telephone Company  
Heath Springs Telephone Company Inc.  
Home Telephone Company, Inc.  
Lancaster Telephone Company  
Lockhart Telephone Company  
McClellanville Telephone Company  
Norway Telephone Company  
Palmetto Rural Telephone Cooperative, Inc.  
Piedmont Rural Telephone Cooperative, Inc.  
Pond Branch Telephone Company  
Ridgeway Telephone Company  
Rock Hill Telephone Company  
Sandhill Telephone Cooperative, Inc.  
St. Stephen Telephone Company  
West Carolina Rural Telephone Cooperative, Inc.  
Williston Telephone Company

BEFORE  
THE PUBLIC SERVICE COMMISSION  
OF  
SOUTH CAROLINA

Docket No. 2000-2000-0155-C

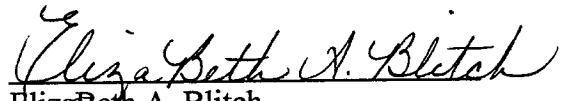
Re: Application of BroadStreet Communications, Inc. )  
for a Certificate of Public Convenience and )  
Necessity to Provide a Broad Range of Tele- )  
communications Services, including Local )  
Exchange and Interexchange Services in the State )  
of South Carolina )

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**CERTIFICATE OF  
SERVICE**

I, ElizaBeth A. Blich, do hereby certify that I have this date served one (1) copy of the foregoing Stipulation upon the following party of record by causing said copy to be deposited with the United States Mail, first class postage prepaid to:

Bonnie D Shealy, Esquire  
Robinson, McFadden & Moore, P.C.  
Post Office Box 944  
Columbia, South Carolina 29202.

  
ElizaBeth A. Blich  
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June 22, 2000

Columbia, South Carolina